

Message Text

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FM AMEMBASSY WELLINGTON

TO SECSTATE WASHDC 4403

INFO CINCPAC HONOLULU

AMCONSUL AUCKLAND POUCH

C O N F I D E N T I A L SECTION 01 OF 03 WELLINGTON 05208

CINCPAC FOR POLAD AND USIA ADVISOR

E.O. 11652: XGDS-3

TAGS: ECRP, NZ

SUBJECT: CERP 0002, NEW ZEALAND RELATIONS WITH COMMUNIST
COUNTRIES

REF: (A) 73 STATE A-6884; (B) WELLINGTON 4558;
(C) WELLINGTON 4926; (D) WELLINGTON 4934

1. SUMMARY. A CLEAR TREND HAS EMERGED IN THE PAST YEAR
TOWARD REDEFINITION OF NEW ZEALAND'S RELATIONS WITH THE
COMMUNIST WORLD IN TERMS OF TRADE ADVANTAGE AND AWAY FROM
IDEOLOGICAL AND SECURITY CONCERNS. THE STEADILY INCREAS-
ING SOVIET ATTENTION TO THE SOUTH PACIFIC REGION IS LIKELY
TO BE CAPPED BY A NZ-USSR FISHING COOPERATION AGREEMENT
WITH THE NEXT FEW MONTHS. THE CPR ROLE REMAINS
ESSENTIALLY REACTIVE TO THE SOVIETS. ACTION REQUESTED:
SEE PARA. 10. END SUMMARY.

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2. SUMMARY OF NZ/COMMUNIST RELATIONS

A. TREND

DURING THE PAST YEAR, A CLEAR TREND HAS EMERGED TOWARD
REDEFINITION OF NEW ZEALAND'S RELATIONS WITH THE COMMUNIST

WORLD ON THE BASIS OF TRADE ADVANTAGE AND AWAY FROM IDEOLOGICAL AND SECURITY CONCERNS. THIS REDEFINITION, WHICH HAS BEEN GOING ON SLOWLY FOR SOME TIME, MOVED AHEAD MARKEDLY IN 1977 AND WAS GIVEN PUBLIC EXPOSITION IN A LANDMARK SERIES OF FIVE SPEECHES DELIVERED BY FORMIN TALBOYS IN SEPTEMBER. TALBOYS' BASIC THESIS WAS THAT NEW ZEALANDERS FIND THEMSELVES IN A HARSH WORLD, ECONOMICALLY SPEAKING, AND THEY WILL HAVE TO RELY MAINLY ON THEMSELVES TO SURVIVE; WHETHER THE SOVIETS ARE IN THE SOUTH PACIFIC FOR PROTEIN OR POLITICS IS STILL OPEN TO QUESTION; NEW ZEALAND WILL CONTINUE TO PLAY ITS PART AS A MEMBER OF THE WESTERN TEAM AND, THEREFORE, CAN COUNT ON US SUPPORT; "WITH THAT SUPPORT (NEW ZEALAND) CAN TAKE ADVANTAGE OF NEW OPPORTUNITIES THAT ARE OPENING UP TO EXPAND (ITS) TRADE WITH THE SOVIET UNION AND OTHER COUNTRIES AND DEVELOP THE NEW RELATIONSHIPS (IT) NEED(S) TO MAINTAIN (ITS) STANDARD OF LIVING." RELATED TO THIS TREND IS THE NEW ZEALAND GOVERNMENT'S READING OF THE CHANGED NATURE OF SUPER-POWER RELATIONS (DETENTE AND THE OPENING TO CHINA) AND THE RELAXATION OF TENSIONS IN THE ASIATIC-PACIFIC AREA FOLLOWING THE VIETNAM WAR. AS THE AREAS OF OVERT OR IMMEDIATELY THREATENED CONFLICT HAVE BECOME MORE DISTANT FROM NEW ZEALAND'S SHORES, THE EQUATION HAS BECOME: THREAT TOO MINOR PLUS TRADE PROBLEMS TOO LARGE EQUALS A SUBLIMATION OF IDEOLOGICAL DIFFERENCES IN FAVOR OF EXPANDED TRADE RELATIONS.

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B. USSR RELATIONS

IN THE PAST TWO YEARS, THE SOVIET UNION HAS MOVED FROM BEING AN OCCASIONAL RESIDUAL BUYER TO BECOMING A MAJOR MARKET FOR NEW ZEALAND. THE USSR IS NOW NEW ZEALAND'S THIRD MOST IMPORTANT MARKET FOR MEAT AND HAS RANKED SECOND AND FOURTH IN WOOL SALES IN THE PAST TWO YEARS. SINCE NEW ZEALAND CANNOT AFFORD TO IMPORT ANY SIZEABLE QUANTITIES OF MANUFACTURED GOODS FROM THE USSR, THE GNZ FEELS COMPELLED TO RECIPROCATATE WITH ACCESS FOR THE SOVIETS TO NEW ZEALAND EEZ. LAST YEAR, THE GNZ REBUFFED SOVIET EFFORTS TO GAIN ON-SHORE FACILITIES FOR THE SOVIET SOUTH PACIFIC AND ANTARCTIC FISHING FLEETS. RECENTLY, HOWEVER, THE GNZ HAS ANNOUNCED ITS READINESS TO NEGOTIATE A FISHING AGREEMENT WITH THE USSR WHICH WOULD INCLUDE USE OF ON-SHORE FACILITIES ON A COMMERCIAL BASIS AND CREW EXCHANGE RIGHTS (BUT WITHOUT LANDING RIGHTS FOR AEROFLOT). SEE REFTELS. AMONG ITS COVERT ACTIVITIES IN NEW ZEALAND IS THE FUNDING OF THE SOCIALIST UNITY PARTY (SEE PART II BELOW). PROPAGANDA ACTIVITIES ARE ABOUT OF THE SAME MAGNITUDE AS THAT CARRIED ON BY THE LARGER, MORE ACTIVE

DIPLOMATIC MISSIONS IN WELLINGTON. THE GNZ RESISTED SOVIET EFFORTS TO POST A TASS CORRESPONDENT IN WELLINGTON, BUT, LAST YEAR, DID ALLOW THE OPENING OF A NOVOSTI PRESS AGENCY OFFICE STAFFED BY ONE SOVIET CORRESPONDENT.

C. CPR RELATIONS

WELLINGTON AND PEKING ESTABLISHED DIPLOMATIC RELATIONS IN 1972. MOVEMENT TOWARD INCREASED TRADE AND OTHER TIES PROCEEDED RELATIVELY SLOWLY UNTIL THE SOVIETS BECAME MORE ACTIVE IN THE SOUTH PACIFIC IN THE PAST TWO OR SO YEARS. THE INCREASED SOVIET ACTIVITY, ALONG WITH INTERNAL DEVELOPMENTS IN CHINA (PARTICULARLY THE "THREE WORLD THEORY" AND THE NEW POLICY OF INCREASING TRADE TIES WITH OTHER

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COUNTRIES TO GIVE CHINESE INDUSTRY GREATER ACCESS TO WESTERN TECHNOLOGY), HAVE LED TO A STEPPING-UP OF CHINESE EFFORTS, PARTICULARLY IN THE TRADE FIELD. SEVEN TRADE DELEGATIONS VISITED NEW ZEALAND, INCLUDING ONE HEADED BY A

VICE MINISTER OF FOREIGN TRADE. ON THE POLITICAL SIDE, THE MOST IMPORTANT VISITS WERE BY A 19-MEMBER NATIONAL PEOPLE'S CONGRESS (NPC) DELEGATION, HEADED BY ULANFU, POLITBURO MEMBER AND VICE CHAIRMAN OF THE NPC STANDING COMMITTEE, TO WELLINGTON IN SEPTEMBER AND BY NZ DEPUTY PRIME MINISTER TALBOYS TO PEKING IN NOVEMBER. THE BASIC CHINESE MESSAGE IN BOTH CASES WAS BEWARE OF SOVIET INITIATIVES. THE GNZ, IN TURN, TOOK PAINS TO REASSURE THE CPR THAT INCREASED TRADE AND FISHING RELATIONS WITH THE SOVIET UNION IN NO WAY CHANGED NEW ZEALAND'S ATTITUDES AND POLICIES TOWARD THE CPR. BOTH SIDES DROPPED CRITICISM OF THE OTHER, THE GNZ NO LONGER MENTIONING CHINESE ATMOSPHERIC NUCLEAR TESTING AND THE CPR IGNORING NZ-TAIWAN SPORTING TIES. THE RESULT WAS THAT TALBOYS WAS ABLE TO PRONOUNCE AT THE CONCLUSION OF HIS VISIT TO

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PEKING THAT THERE ARE NO PROBLEMS OF SUBSTANCE IN CPR/NZ RELATIONS. CHINESE REPRESENTATION IN WELLINGTON IS LARGE, BUT NOT PARTICULARLY ACTIVE. PROPAGANDA ACTIVITIES ARE MINOR AND THE ONLY COVERT ACTIVITIES APPEAR TO BE DIRECTED TOWARD THE RESIDENT CHINESE COMMUNITY AND IN SUPPORT OF THE MINISCULE COMMUNIST PARTY OF NEW ZEALAND (CPNZ).

D. OTHER COMMUNIST COUNTRIES

NEW ZEALAND'S RELATIONS WITH OTHER COMMUNIST COUNTRIES ARE MINOR IN COMPARISON WITH THE USSR AND CPR AND HAVE FAR FEWER POLITICAL OVERTONES. POLAND SHOWS SIGNS OF EMERGING AS A CONSISTENT BUYER OF NZ BEEF, AND WOOL EXPORTS TO THE GDR HAVE INCREASED THREE-FOLD SINCE 1974. IN NOVEMBER 1976, THE NEW ZEALAND AMBASSADOR RESIDENT IN PEKING PRESENTED HIS CREDENTIALS IN HANOI. HIS VISIT COINCIDED WITH A GNZ DECISION TO PROVIDE A GIFT OF NZ DOLS. 350,000 WORTH OF MILK POWDER TO VIETNAM. IN FEBRUARY 1977, TWO NZ MEMBERS OF PARLIAMENT VISITED HANOI AND CONVEYED AN INVITATION TO VIETNAM'S VICE FOREIGN MINISTER, CHAN HIEN, TO VISIT NEW ZEALAND. THE VISIT HAS NOT YET TAKEN PLACE. WITH REGARD TO NORTH KOREA, FORMIN TALBOYS SAID DURING A VISIT TO SEOUL IN OCTOBER THAT NEW ZEALAND WOULD HAVE NO DIPLOMATIC EXCHANGES WITH NORTH KOREA UNLESS THAT COUNTRY RECOGNIZED SOUTH KOREA. HE, HOWEVER, PUSHED FOR INFORMAL COMMUNICATION BETWEEN NORTH AND SOUTH KOREA.

3. PART I - APPRAISAL OF POLITICAL/ECONOMIC/MILITARY RELATIONS. NOT REQUIRED.

4. PART II - LOCAL COMMUNIST PARTY MEMBERSHIP.

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THE LOCAL COMMUNIST PARTIES ARE MINISCULE IN MEMBERSHIP, BUT NEVERTHELESS HAVE SIGNIFICANCE IN THE TRADE UNION MOVEMENT. THE MOSCOW-ORIENTED SOCIALIST UNITY PARTY (SUP) HAS AN ESTIMATED 115 TO 118 MEMBERS. THE PEKING-ORIENTED COMMUNIST PARTY OF NEW ZEALAND (CPNZ) HAS 150 TO 160 MEMBERS. THE SUP HAS CONCENTRATED ITS EFFORTS IN OBTAINING UNION LEADERSHIP POSITIONS IN THE TRANSPORTATION, DISTRIBUTIVE AND FORESTRY SECTORS. THE WELLINGTON AND AUCKLAND TRADES COUNCILS ARE BOTH LED BY COMMUNISTS AND THE SIX-MEMBER NATIONAL EXECUTIVE OF THE FEDERATION OF LABOUR NOW INCLUDES ONE AVOWED COMMUNIST AND AN ARDENT SYMPATHIZER.

5. PART III - DIPLOMATIC, CONSULAR AND TRADE MISSION RELATIONSHIPS.

THERE HAVE BEEN NO CHANGES TO THE INFORMATION SUBMITTED IN WELLINGTON A-138, NOVEMBER 18, 1976.

6. PART IVA - CULTURAL AND EDUCATIONAL EXCHANGES.

COMMUNIST CULTURAL ACTIVITIES IN NEW ZEALAND SEEMED TO HAVE A LOWER PROFILE IN THE PAST YEAR THAN IN THE PREVIOUS ONE. THERE WERE SIX CULTURAL GROUPS THAT TOURED NEW ZEALAND FROM THE SOVIET UNION WITH A TOTAL OF 197 PERSONS; THREE OF THE GROUPS WERE MUSIC/DANCE; ONE GROUP OF FOUR INCLUDED USSR OFFICIALS INVITED BY THE NZ/USSR SOCIETY TO CELEBRATE THE 60TH ANNIVERSARY OF THE REVOLUTION; THERE WAS ONE PAIR OF VISITING LECTURERS; AND TWO WRITERS WERE HOSTED BY THE QUEEN ELIZABETH II ARTS COUNCIL. IN ADDITION, THERE WAS ONE SOVIET LECTURER AT OTAGO UNIVERSITY IN THE MARCH-OCTOBER PERIOD. NINE CPR CHESS PLAYERS CONSTITUTED THE ONLY CULTURAL GROUP FROM THAT COUNTRY TO VISIT NZ. THERE ARE TEN STUDENTS FROM THE CPR STUDYING HERE NOW (NO INCREASE) AND EIGHT NZ STUDENTS IN THE CPR UNDER A STUDENT EXCHANGE PROGRAM BEGUN IN 1973.

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THE MAJOR OVERT CONTACT BETWEEN NZ AND THE CPR REMAINS COMMERCIAL TOURS OF CHINA. THESE CONTINUED AT A FAIRLY HEALTHY PACE, INCLUDING A TOUR BY ARTISTS AND THE NOW ALMOST ANNUAL (FIFTH SINCE 1971) NEW ZEALAND UNIVERSITY STUDENTS ASSOCIATION TOUR. THE USSR TOO IS LOOKING FOR THE TOURIST DOLLAR WITH ITS CRUISE SHIPS SAILING IN THE PACIFIC/SEA AREA AND WITH OCCASIONAL ADS FOR TOURS OF THE USSR AND THE TRANS-SIBERIAN RAILWAY. THE USSR ALSO HOSTED NZ POET DENNIS GLOVER AND, FOR A SECOND TIME, JOURNALIST MERVYN CULL OF THE NEW ZEALAND HERALD.

7. PART IVB - INFORMATION AND CULTURAL ACTIVITIES OTHER THAN EXCHANGES. (BEGIN UNCLASSIFIED)

COMMUNIST COUNTRY ACTIVITIES IN THE PRESS AND INFORMATION FIELD WERE LITTLE CHANGED IN THE PAST YEAR. IMPORTANT USSR THEMES WERE (1) THE SIGNIFICANCE OF THE NEW CONSTITUTION, (2) THE 60TH ANNIVERSARY OF THE REVOLUTION AND (3) THE SOVIET APPROACH TO THE HELSINKI ACCORDS. THE MAJOR
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THRUST OF CPR PROPAGANDA IS THE FIRST-SECOND-THIRD WORLD THEMES, WITH NZ, OF COURSE, IN THE SECOND WORLD. THE GENERAL MEDIA ARE NOT REALLY VERY INTERESTED IN THESE MATERIALS AND EXPOSURE IS LOW, THOUGH, NO DOUBT, IN PREACHING TO THE CONVERTED, THE COMMUNISTS HAVE READY AUDIENCES.

8. THE NEW ZEALAND TRIBUNE (CIRC. 750 BI-WEEKLY) CONTINUES TO BE PUBLISHED BY THE MOSCOW-ORIENTED SOCIALIST UNITY PARTY AND REMAINS THE PRINCIPAL SPOKESMAN FOR SOVIET POLICIES. THE PEOPLE'S VOICE (CIRC. 2000-2300 WEEKLY) REMAINS THE ORGAN OF THE PEKING-ORIENTED CPNZ. THE NEW ZEALAND MONTHLY REVIEW, A CPNZ MARXIST-ORIENTED MONTHLY, IS PERHAPS THE MOST WIDELY READ AND CIRCULATED LEFT-WING PUBLICATION. THE "TRENDY-LEFT" MATERIAL CONTINUES IN THE STUDENT PRESS, THOUGH NZ CAMPUSSES, LIKE THEIR AMERICAN COUNTERPARTS, ARE BECOMING LESS POLITICALLY ACTIVE, ESPECIALLY AS REGARDS US, USSR AND CPR ACTIVITIES. MUCH MORE IMPORTANT IN THE STUDENT PRESS ARE SUBJECTS LIKE APARTHEID AND EAST TIMOR. WHILE THE CIRCULATION OF SOME MATERIAL THAT COULD BE CONSIDERED PRO-COMMUNIST CONTINUES, IT IS DIFFICULT TO TRACE THIS TO COMMUNIST MISSIONS HERE.

9. A CHINESE NEWS DELEGATION OF FIVE PERSONS VISITED IN JANUARY AND A PRAVDA CORRESPONDENT VISITED IN DECEMBER 1976. THERE IS NOW A RESIDENT NOVOSTI CORRESPONDENT BY THE NAME OF DR. SERGEI ZIMIN (AGE 33, MOSCOW UNIVERSITY, WITH 10 MONTHS STUDY AT THE LONDON SCHOOL OF ECONOMICS) WHO REPORTS REGULARLY FOR SOVIET PUBLICATIONS ON NZ. (FYI: THERE ARE NO US NEWSMEN STATIONED IN NZ, THOUGH THERE ARE SOME STRINGERS.

10. ACTION REQUESTED: SINCE THE BASIC GUIDANCE FOR THIS CERP REQUIREMENT IS DATED AUGUST 10, 1973, AND NOW HAS CONFIDENTIAL

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BEEEN INADVERTENTLY RETIRED BY MANY POSTS, WE SUGGEST THAT THE DEPARTMENT CONSOLIDATE THE OUTSTANDING GUIDANCE AIRGRAMS AND TELEGRAMS ON THIS SUBJECT AND REISSUE THE GUIDANCE AT LEAST BY AIRGRAM IF NOT IN MORE PERMANENT REGULATORY FORM. (END UNCLASSIFIED) HEALY

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